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October 9, 2002

The Honorable Michael K. Powell, Chair
The Honorable Kathleen Q. Abernathy

The Honorable Michael J. Copps
The Honorable Kevin J. Martin
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, D.C. 20554

**RE:IN RE APPLICATION BY SBC COMMUNICATIONS INC., PACIFIC BELL TELEPHONE
COMPANY, AND SOUTHWESTERN BELL COMMUNICATIONS SERVICES, INC. FOR
PROVISION OF IN-REGION, INTERLATA SERVICES IN CALIFORNIA, WC DOCKET
NO. 02-306 (SEPT. 20, 2002)**

Dear Chairman Powell and Commissioners Abernathy, Copps, and Martin:

I write to urge the Commission's approval of the application by SBC Pacific Bell for authority under 47 U.S.C. ' 271 to provide in-region, interLATA services in the State of California.

By way of introduction, Public Advocates has long represented leading community organizations across California and before the Federal Communications Commission to ensure that universal telephone service, local telephone competition, and the information superhighway reach low-income, minority, limited-English-speaking, and disability communities. As a result of this work over the past eight years, California's Public Utilities Commission requires all local exchange carriers and competitive local carriers to strive to bring at least 95-percent (the statewide average) of households in underserved low-income, minority, and limited-English-speaking communities onto the basic telephone network, and has explicitly prohibited telecommunications redlining. The Commission preserved statewide lifeline rates for 3 million low-income households, and it ordered comprehensive multilingual services for over 8 million Californians speaking the seven most common languages other than English. To help ensure equal access to the information superhighway in these communities, the PUC established discounts on advanced services for community-based organizations providing education, health and employment programs in these communities.

Public Advocates' clients have also reached landmark economic-development and community-building agreements with leading telecommunications companies to bring critical telecommunications services to these communities. One such landmark agreement has been the Community Partnership Agreement, arising from the Pacific Telesis/SBC merger. Nine coalitions totalling 134 community-based organizations established a new non-profit organization--the Community Technology Foundation of California--to oversee and administer a \$50 million grant fund to help secure full and equal access to basic and advanced telecommunications and information services in California's underserved communities. A 98% Universal Service Taskforce is also working directly with Pacific Bell to achieve 98% basic telephone service in California's underserved communities by 2004.

The Federal Communications Commission must assess the myriad individual components of Section 271--but there is a larger issue as well. For many years, Pacific Bell has been a carrier of last resort for California's poor, California's communities of color, California's limited-English-speaking communities, California's disability communities, California's senior

communities, California's community-service organizations. I respectfully submit that the Federal Communications Commission should likewise want to have Pacific Bell as a carrier of last resort, if not first resort, in long-distance, interLATA services as well.

In California, over 94.5 percent of California's population growth last decade was in California's Latino, Asian-American, African-American, and Native-American communities, according to the California Department of Finance. One out of every seven Californians lives at or below the federal poverty level, according to the 2000 Census. Over 12 million Californians--39.4 percent--speak such common languages as Spanish, Cantonese and Mandarin, Korean, Vietnamese, and Tagalog at home. Pacific Bell, in turn, has worked to meet these needs. Pacific Bell provides lifeline telephone service to more than 2.5 million low-income households. In California, it is the local exchange carriers such as Pacific Bell, not the competitive carriers, which provide over 99 percent of the lifeline telephone service to California's low-income households (see attached). Pacific Bell has representatives and provides service in the seven most common languages spoken in California. When Pacific Bell launched DSL service in 1997, it specifically included numerous central offices in low-income and minority communities to provide equal access.

The major demographic shifts occurring in California are demographic shifts happening more or less across the nation. Lessons learned in local telephone service in California can and should set the minimal standards for interLATA service in California and across the nation. It is a standard grounded in the real lives of real people and meeting their real needs. Pacific Bell provides a worthy model for that standard. The Commission should grant Pacific Bell's application to raise the standard for interLATA service to underserved communities in California and across the nation.

Very truly yours,

Mark Savage
Managing Attorney